

SECRET

R C-A-1039

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CI 001

Chief of Station, Kuala Lumpur

Chief, Office

Operations

Tasks, P-3-CORAS

Reference: WMA-21

Attached hereto is the fifth in a series of Weekly KUPIRU Operational Reports. This particular report covers the period from 6 April 1954 through 5 May 1954.

We are reluctant to admit we are late with such a report but due to more urgent matters preparation of the report had to be delayed until now.

Cyrus E. Burnette

Enclosure:

Report, as noted

6 May 1954

CEB/cmh

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Weekly KUFIRE Report

FT/1 ESCROWSON

Responsible Officer: Cyrus F. Burnette

On the night of 3 May 1954, BURNETTE met the principal agent through secure means for the purpose of advising the agent he would henceforth work with and be responsible to the new officer. The meeting was successfully carried out and all concerned are agreeable to the change. No other significant changes have occurred since the last report. Production is satisfactory, security is good.

FT/2 ESCROW

Responsible Officer: Cyrus F. Burnette

Security good; production only relatively good. In our GUAT 463 it was reported ESCROW considered a cold approach to BELLEGER feasible but stressed the importance of a third country approach. He knew the subject in Paris several years ago and for that reason favored a third country approach. Our current problem in this project is to find another cutout. Arthur G. VALVADA left on 1 May 1954, and it is doubted that operational security factors will permit him to return.

FT/3 ESOTROPE

Responsible Officer: George L. Tranger

After a careful evaluation of the potential worth and results achieved to date, it was decided that ESOTROPE had not and probably would not develop the desired coverage anticipated under this KUFIRE task and she was terminated effective 30 April 1954. Termination proceedings were cordial and it is expected that TRANGER will continue to have occasional social contacts with her and ESOTERIC. Both have offered to channel matters of interest to TRANGER on a voluntary basis but no further efforts will be made to contact them regularly or develop them for PBSUCCESS purposes.

FT/5 ESODIC

Responsible Officer: Cyrus F. Burnette

As pointed out in our HGG-A-1020, we agree with LINCOLN that it would be patently unwise to run these agents through the Guatemala Station if they are part and parcel of the CALLIGERIS complex, and we believe they are without any doubt. For that reason they have been terminated as of 30 April 1954. The final meeting with them ended in a cordial atmosphere and BURNETTE can easily contact them if the occasion so warrants at any time in the future.

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FT/24 ESPERANCE

Responsible Officer: Earle N. Bannister

During the period under review, ESPERANCE continued to be the most valuable and versatile agent asset of this station. He contributed in the entirety or in part to the TEI information produced and vouched. His reporting has been excellent. His security was threatened on one of his operational trips but it is believed that the incident of his being stopped in Jutiapa and questioned (which was previously and separately reported) has not had any damaging result.

Besides his activities which resulted in the obtaining of reported information, ESPERANCE has also aided the station by arranging for the rental of an operational automobile in the name of a fake company --- said automobile being used at present by RAZMARA without ESPERANCE's knowledge of RAZMARA or of his activities. ESPERANCE is also obtaining a safe house out of the city. An operational vehicle, to replace the rented automobile being used by RAZMARA, is also being purchased through ESPERANCE.

During the period under review, clearances were also received for ESPERANCE-3 and ESPERANCE-5. ESPERANCE-5 is not yet being used.

By instructions from and arrangement with PAGE, ESPERANCE-3 is to be used in the KING Program under and through CLOVER. This will be made a matter of a separate report by PAGE.

On 21 April and by LINC 2023, authorization was received to pay ESPERANCE up to [] per month salary and up to [] per month expenses.

Authorization to pay ESPERANCE-1 up to [] per month was also authorized. ESPERANCE-1 has been a loyal and effective tool for the carrying out of ESPERANCE's activities and we plan on continued use of this valuable sub-agent. He is best for spot assignments and will continue to be used directly by ESPERANCE!

FT/8 ESPARTO, ESPARTO-1

Responsible Officer: Cyrus E. Burnette

For the past 10 days ESPARTO has been visiting PBPRIE. No appreciable change has taken place in his activities in our behalf since submission of the last report. ESPARTO-1, however, appears to be conscientiously trying to help us. On two occasions he personally came to BURNETTE to report items of extreme interest to us here. The fact we had already received the information from other sources was not known to him as his information served as a check. BURNETTE suggested a plan to him whereby we might send and receive through unofficial channels communications to and from PBPRIE. Briefly, the plan in

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valves sending our envelopes as "Valuables" which are always kept in the physical possession of the purser on the plane until the plane reaches its destination (in our case ~~SECRET~~ or, working the operation in reverse, ~~SECRET~~). The station manager personally has to sign for the valuables after which it is a comparatively simple matter for him to retain an envelope and later hand it to an individual of our choosing. The plan was cabled to ~~SECRET~~ with the request the latter office make arrangements in ~~SECRET~~ for selecting an individual to whom the station manager can hand our communications.

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FT/8 ESKIMOID

Responsible Officer: Cyrus E. Burnette

ESKIMOID told BURNETTE on 5 May 1954 that he was agreeable to acting as a go-between for ESCOBILLA. ESKIMOID gives the impression of being a good choice for this task. Fortunately, he is well acquainted with ESCOBILLA and for that reason has no hesitancy in acting as a go-between. Secure arrangements were worked out with him for the passing of sealed communications to him. He in turn is working out with ESCOBILLA secure arrangements for relaying those sealed envelopes to ESCOBILLA. It is believed the security of this project is good. No funds are involved.

FT/9 ESPOUSER

Responsible Officer; Cyrus E. Burnette

As reported in our HGG-A-1031, ESPOUSER's services were dismissed as of 1 May 1954. ESPOUSER is now believed to be unreliable and his continued employment might present a serious problem later. According to him, he was in KMBAJAMA during that period in the interests of the local Communists. We suspect he never left town. It is possible he was a plant either of the Communists or of the Government and such a possibility was constantly kept in mind, especially during the last conversation with him when he was dismissed. We don't expect trouble from him. If for some reason, as yet unknown or unforeseen, it becomes necessary to contact him again, BURNETTE can do so without difficulty.

FT/10 Arthur G. VAIVADA

Responsible Officer: Cyrus E. Burnette

On 29 April 1954, we were advised by [] 1203 that VAIVADA's name is possibly known to Manuel MORA and that the latter will attempt to inform the Guatemalan government of VAIVADA's true work. On 1 May 1954 we sent VAIVADA to San José to confer with [] regarding this report and with the original source. On 3 May 1954 we sent a cable to LINCOLN with information copies to Washington and San José recommending that VAIVADA not be allowed to return to Guatemala for operational security reasons. We currently are waiting for news from [] Up to 29 April, the security of this project was good but in view of the alarming news received from [] we now believe VAIVADA's continued presence here would constitute a security hazard. Currently, we are making plans to have his wife and children leave to join him in San José.

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